MANUFACTURING EXTENSION PARTNERSHIP Success Stories from the Field

Superior Manufacturing and Hydraulics, Inc.

Manufacturing Extension Partnership of Louisiana

Superior Manufacturing & Hydraulics Increases Revenue And On-Time Delivery Using Lean Techniques

Client Profile:

Superior Manufacturing & Hydraulics is located in Broussard, Louisiana and employs 72 people. The company works in the oil and gas industry, manufacturing hydraulic equipment and tubular handling systems.

Situation:

Superior Manufacturing and Hydraulics recently increased its international marketing efforts, with excellent results. However, the company needed to position itself for anticipated growth. Goals included an increase in on-time delivery from an estimated 28 percent; a more efficient layout for the company's new facility; and the implementation of lean practices throughout operations. Superior Manufacturing & Hydraulics sought assistance from the Manufacturing Extension Partnership of Louisiana (MEPoL), a NIST MEP network affiliate.

Solution:

MEPoL established a third-party relationship with Jim Frischenmeyer, a consultant with Lean Management Solutions. Mr. Frischenmeyer agreed to act as Superior Manfacturing & Hydraulics' general manager for two months to guide the company through a lean implementation. Using Spencer Johnson's acclaimed book Who Moved My Cheese, Mr. Frischenmeyer taught the company's employees the benefits of change in the workplace. Several employees attended MEPoL's Lean 101 training seminar. Mr. Frischenmeyer also conducted enterprise-wide training on the proper implementation of 5S systems, waste elimination, set-up reduction, and improved flow.

Mr. Frischenmeyer and MEPoL videotaped several existing cell layouts and reviewed them with the staff to determine areas where waste could be eliminated and productivity could be improved. The staff worked closely with their consultants to identify and implement new cell layouts. Mr. Frischenmeyer and MEPoL also upgraded the layout of the facility, including a layout for the new building. Employees focused on meeting daily management expectations and radical improvement (kaikaku). MEPoL also collaborated with Mr. Frischenmeyer on several mini kaizen events and helped complete new job descriptions for the majority of employees.

As Mr. Frischenmeyer was training the employees, he was also working to help Superior Manufacturing & Hydraulics increase revenues in three divisions



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(hydraulics, manufacturing, and dies) by 5 percent, and improve on-time delivery to its customers. The company wanted to increase productivity enough to staff the new facility with existing employees. These improvements were scheduled to occur during the two-month period allotted to the project. Mr. Frischenmeyer developed a strategic plan to help the company meet its goals, which was revisited on a weekly basis by Superior Manufacturing & Hydraulics, MEPoL, and Lean Management Solutions to ensure the company was moving in the right direction.

Results:

Increased revenue in the hydraulics division by 12 percent. Increased revenue in the manufacturing division by 10 percent. Increased revenue in the dies division by 8 percent.

Elevated on-time delivery to 90 percent.

Increased productivity such that three people could be redeployed to the new facility.

Increased sales for two new products.

Pursuing a grant from the Incumbent Worker Training Program offered by the Louisiana Department of Labor.

Testimonial:

"The change from batch to lean manufacturing was an eye-opening experience for us. It has been a great help for the company in order to stay competitive and meet our long-term goals...[The Manufacturing Extension Partnership of Louisiana] and [Lean Management Solutions] did an excellent job."

David Buck, President

